



General Assembly

Distr.
LIMITED

A/C.2/48/L.57
1 December 1993

ORIGINAL: ENGLISH

Forty-eighth session
SECOND COMMITTEE
Agenda item 91 (a)

DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION: TRADE AND DEVELOPMENT

Draft resolution submitted by the Vice-Chairman of the
Committee, Mr. Leandro Arellano (Mexico), on the basis
of informal consultations held on draft resolution
A/C.2/48/L.15

International trade and development

The General Assembly,

Reaffirming the importance and continued validity of the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, 1/ the International Development Strategy for the Fourth United Nations Development Decade, 2/ the United Nations New Agenda for the Development of Africa in the 1990s, 3/ the Programme of Action for the Least Developed Countries for the 1990s, 4/ the Cartagena Commitment, 5/ and the various agreements, in particular

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- 1/ Resolution S-18/3, annex.
 - 2/ Resolution 45/199, annex.
 - 3/ Resolution 46/151, annex, sect. II.
 - 4/ Report of the Second United Nations Conference on the Least Developed Countries, Paris, 3-14 September 1990 (A/CONF.147/18), part one.

5/ See TD/364, part one, sect. A, "A New Partnership for Development: the Cartagena Commitment", adopted by the United Nations Conference on Trade and Development at its eighth session, held at Cartagena de Indias, Colombia, from 8 to 25 February 1992.

Agenda 21, 6/ that provide an overall framework for developing cooperative action to address the development challenges of the 1990s,

Recalling its resolutions 1995 (XIX) of 30 December 1964, as amended, 7/ on the establishment of the United Nations Conference on Trade and Development as an organ of the General Assembly, and 47/183 of 22 December 1992 on the eighth session of the Conference,

Noting the progress made by the United Nations Conference on Trade and Development in the implementation of the outcome of its eighth session, in particular its contribution, within its mandate, to trade and environmental issues,

Noting with concern that, although a number of developing countries have experienced higher rates of growth and an expansion of their trade, the state of the current international economic situation, characterized by slow growth and a fragile economic recovery, has adversely affected the growth and development of all countries, in particular the developing ones,

Emphasizing the importance of an open, equitable, secure, non-discriminatory and predictable multilateral trading system that is consistent with the goals of sustainable development and that leads to the optimal distribution of global production in accordance with comparative advantage, and of a stable international financial environment for economic recovery and growth in all parts of the world economy, including in particular the developing countries,

Noting with serious concern the intensification of pressures for protectionism and unilateralism, in particular in many developed countries, and stressing in this regard the need for all countries to halt and reverse protectionism and respect multilaterally agreed trade rules,

Emphasizing that the high economic cost of protectionist policies has a negative impact on the economic growth and sustainable development of all countries, in particular the developing ones, and also that within this context such policies in no case constitute an appropriate means of addressing the serious problems of unemployment,

Recognizing that improved access to external markets and further multilateral trade liberalization is a highly important prerequisite for the reactivation of growth in all parts of the world economy, including in particular the developing countries,

6/ Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992, vol. I, Resolutions Adopted by the Conference (United Nations publication, Sales No. E.93.I.8 and corrigendum), resolution 1, annex II.

7/ See General Assembly resolutions 2904 (XXVII), 31/2 A and B, and 34/3.

Recognizing with satisfaction that major structural economic reforms and trade policy liberalization and regional economic integration efforts, are being undertaken by many developing countries, as well as by a number of other countries, and that such policies have contributed to the expansion of world trade and enhanced export possibilities and economic growth prospects for all countries,

Recognizing that regional economic integration processes, inter alia, among developing countries, which have intensified in recent years, impart substantial dynamism to global trade and enhance trade and development possibilities for all countries, and stressing that in order to maintain the positive aspects of such integration arrangements and assure the prevalence of their dynamic growth effects, Member States and groupings should strive to be outward-oriented and supportive of the multilateral trading system,

Emphasizing the need for increased international support for the reforms being undertaken by many developing countries, and by countries with economies in transition including the provision of increased global market access for their exports, which is of critical importance for the success and further encouragement of those reforms,

Reaffirming the need to give priority to problems facing the least developed countries, owing to the fragility of their economies and their particular vulnerability to external shocks and natural calamities,

Reaffirming also the message from the Trade and Development Board to the Governments participating in the Uruguay Round of multilateral trade negotiations, adopted by the Board at the second part of its thirty-ninth session, 8/ in which the Board stressed that an early and successful conclusion of the Uruguay Round should be viewed as a prerequisite to a return to the path of growth, trade expansion and an improved world economic climate,

Stressing that for the Uruguay Round of multilateral trade negotiations to be concluded in a balanced manner, issues of particular interest to developing countries and their development must be taken fully into account,

Emphasizing that a failure of the Uruguay Round of multilateral trade negotiations would risk seriously eroding business confidence, would intensify trade differences and disputes, would retard global economic growth and recovery, would encourage and protect uncompetitive sectors of the economy and would undermine the outward-oriented reforms being undertaken by many developing countries,

Reaffirming the need for a balanced and integrated approach to environment, trade and development issues within the context of a new global partnership for sustainable development,

8/ See A/48/15 (vol. I), chap. I, sect. C (2), para. 1.

Recognizing that the complex linkages between trade and environment pose significant challenges to the pursuit of sustainable development and to the maintenance of a free and open trading system,

Welcoming Trade and Development Board decision 402 (XXXIX) of 26 March 1993 on sustainable development and its conclusion 407 (XL) of 1 October 1993 regarding the contribution of the United Nations Conference on Trade and Development, within its mandate to the study of the interlinkages between trade and environment, in the context of sustainable development,

1. Takes note of the reports of the Trade and Development Board on the second part of its thirty-ninth session 9/ and on the first part of its fortieth session 10/ and calls upon all States to take appropriate action to implement the outcome of those sessions;

2. Emphasizes the importance of follow-up and monitoring of the implementation of the policies and measures contained in the United Nations Conference on Trade and Development at its eighth session adopted by the Cartagena Commitment; 5/

3. Takes note of the conclusions derived from the debate of the Trade and Development Board, which was underpinned, inter alia, by the Trade and Development Report, 1993, on the international implications of macroeconomic policies and issues concerning global interdependence, as constituting a concrete contribution to the changing of perceptions on issues concerning growth dynamics in various regions, particularly with respect to the conceptual framework, design and implementation of structural adjustment policies;

4. Recognizes that trade liberalization by all countries, including in particular the developed ones, is an important tool for increasing economic efficiency and improving resource allocation, economic growth, sustainable development and employment in all countries;

5. Stresses in this context the urgent need for trade liberalization and improved access to the markets of all countries, in particular those of the developed ones, in order to generate global economic growth and sustainable development for the benefit of all countries, including in particular the developing ones, as well as countries with economies in transition;

6. Emphasizes that in order to promote sustainable development through trade, the removal of existing distortions in international trade is essential, in particular, a substantial and progressive reduction in the support and protection of agriculture, covering internal regimes, market access and export subsidies, as well as of industry and other sectors, in order to avoid inflicting large losses on the more efficient producers, especially in

9/ A/48/15 (vol. I).

10/ A/48/15 (vol. II).

developing countries, and in this context also emphasizes that trade liberalization should be pursued on a global basis across economic sectors so as to contribute to sustainable development;

7. Deplores the repeated delays in concluding the Uruguay Round of multilateral trade negotiations;

8. Urges all countries, in particular the major developed ones, to resolve all outstanding differences in all areas of the negotiations in order to ensure a successful conclusion of the Uruguay Round of multilateral trade negotiations;

9. Strongly urges all participants in the Uruguay Round of multilateral trade negotiations to complete by 15 December 1993 the Uruguay Round, taking into account issues of particular interest to the developing countries and providing a comprehensive market access package on goods and services, including export items of interest to those countries and stresses in this regard the need for a full contribution by all parties;

10. Urges all participants to give special attention to the least developed countries with a view to enhancing their full participation in the multilateral trading system;

11. Stresses that the ability of many developing countries to mobilize, through international trade, the resources needed to finance investments required for sustainable development may be impaired by tariff and non-tariff impediments, including tariff escalation, limiting their access to export markets, and also that a comprehensive and balanced conclusion to the Uruguay Round of multilateral trade negotiations would help all countries mobilize financing for sustainable development;

12. Emphasizes that an open, equitable, secure, non-discriminatory and predictable multilateral trading system that is consistent with the goals of sustainable development and that leads to the optimal distribution of global production in accordance with comparative advantage is of benefit to all trading partners, and in this context also emphasizes that improved market access for the exports of developing countries in conjunction with sound macroeconomic and environmental policies would have a positive environmental impact and therefore make an important contribution towards sustainable development;

13. Also emphasizes that environment and trade policies should be made mutually supportive with a view towards achieving sustainable development;

14. Further emphasizes that environmental measures addressing transborder or global environmental problems should, as far as possible, be based on an international consensus, and in this context emphasizes still further that the international community should strive for the broadest possible international coordination of environmental and trade policies through intergovernmental cooperation, taking into account the complex linkages between environment, trade and sustainable development;

15. Further emphasizes that trade policy measures for environmental purposes should not constitute a means of arbitrary or unjustifiable

discrimination or a disguised restriction on international trade and, in this respect, unilateral actions to deal with environmental challenges outside the jurisdiction of the importing country should be avoided;

16. Requests the United Nations Conference on Trade and Development to continue its special role in the field of trade and environment, including policy analysis, conceptual work and consensus-building, with a view to ensuring transparency and coherence in making environmental and trade policies mutually supportive, and taking into account the work being done by the General Agreement on Tariffs and Trade and other relevant international and regional economic institutions;

17. Invites the General Agreement on Tariffs and Trade and requests the United Nations Conference on Trade and Development, in accordance with their respective mandates and competencies and in close cooperation with other relevant United Nations bodies and the regional commissions, to address comprehensively trade and environmental matters, and to submit, through the Commission on Sustainable Development, a report on this subject to the Economic and Social Council at its substantive session of 1994.
